

MAGOFFIN COUNTY WATER DISTRICT

WILLIAM J. CANTRELL
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March 6, 2006

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PUBLIC SERVICE
COMMISSION

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

RE: Case No. 2006-00047

Dear Ms. O'Donnell:

Enclosed is one original and eight copies of information requested.

Sincerely,



William J. Cantrell
Manager

Enclosures

RE: CASE NO. 2006-00047

Item 1, 2, 3 and 4 Page 1

Item 5 Page 2

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RE: Case No. 2006-00047

1. Refer to the Cost Justification pages for the 5/8 Inch and 3/4 Inch Meter Size filed with application. The Total Connection Expense justified is \$511.25, however the requested charge sought by Magoffin County is \$400. Explain why the charge sought is less than the charge justified. Provide all documentation to explain the difference.

The Magoffin County Water District Commissioners voted to not raise the present Water Tap fee to no more than \$400. The backhoe and other equipment will be tied up on each meter site more than 4 hours but may not actually be used more than 2 hours. Many of the customers cannot afford to pay \$400. They have to make payments. The Water District got a grant that paid for the backhoe and the cost per meter setting should be less. The Commissioners did not want to raise the Tap Fee but they agreed to raise the Fee to \$400.

2. Provide the number of customers currently served by Magoffin County.

3,241

3. Provide the number of customers that Magoffin County expects to add over the Next 12 months.

75

4. Provide information relative to planned main extensions of Magoffin County's system.

Bill May, County Judge Executive is trying to get coal severance money and CDBG funds for approximately 15.0 miles of water line extensions for our Water District. Ninety percent of the people in Magoffin County have rural water.

- a. How will these be financed?

Grant from CDBG and Coal Severance Funds.

5. How is the meter connection/tap fees paid?

a. Does the customer pay in one lump sum payment?

The Water District wants lump sum payment but will make other arrangements if the customer need it.

b. Does the customer pay in installments?

The customer can pay on installment plan if needed.

c. Does the customer make special arrangements for the payment of this Charge?

Yes they must sign a contract as to when payment will be made.

If any additional information is needed contact William J. Cantrell at 606-349-5943.